GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:4670
ANSWERED ON:23.08.2001
COST OF DRILLING FOR OIL EXPLORATION
JAGMEET SINGH BRAR

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the present cost of drilling 50 metres for oil exploration incurred by OIL and ONGC in hilly areas and in plains separately;

(b) whether the cost of drilling in Assam by Oil India Limited was less than that ONGC in 1970 which stands high at present; and

(c) the reason for the increase in the cost of drilling and the steps being taken to bring it down?

Answer

THE MINISTER OF STATE FOR PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR)

(a) to (c): A Statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (c) of Lok Sabha Question No.4670 for answer on 23.8.2001 regarding Cost of Drilling for Oil Exploration

(a) No Exploration and Production (E&P) company in India drills50 meters well for oil exploration and production.. However, the drilling of 50 meters is done for shot hole seismic surveys for data acquisition. The cost of drilling these holes is dependent on area of operation. Notwithstanding the above, the per metre cost of exploratory drilling for oil and gas exploration by Oil and Natural Gas Corporation Ltd. (ONGC) and Oil India Limited (OIL) as a whole, for the year 2000-01 is given below:

Amount in Rs.

ONGC	30,608
OIL	45,774

(b) &(c): However, the latest per metre cost of exploratory drilling for oil and gas by ONGC and OIL in Assamin the year 2000-01, is given below:

Amount in Rs.

ONGC	29,686
OIL	45,819

The main reasons for increase in cost of drilling are: increase in input cost and shifting more towards logistically difficult terrain and deep depths for drilling the wells. Various steps like optimal use of available resources, application of more cost effective new technologies and increasing productivity of individuals, are undertaken to bring down the drilling cost.